

Introduction

The Department of Employment Services (DOES), along with the District's educational system, focuses on the workforce development of youth and adults. While DOES is in the process of improving the workforce development system, a number of issues related to workforce development continue to challenge the District:

- Government decision makers and the business community need to work collaboratively to increase employment opportunities for District residents. This collaboration must address the human resource needs of private and public sector employers to help workers successfully compete for entry and higher-level jobs.
- Many job seekers in the District of Columbia do not possess the skill sets required by local and regional employers. Because of this "skills gap," private and public sector employers are struggling to find qualified workers to fill a growing number of job vacancies.
- Many District residents, who do not possess the necessary skills, are not able to earn livable wages and cannot achieve long-term self-sufficiency.
- Not enough business and commercial development projects are generating family-friendly employment and workplaces that offer flexible hours and other benefits such as telecommuting, job sharing, and access to affordable housing and day care. This has a negative impact on those who are seeking to find and retain suitable employment.

The following sections highlight some of the data and trends affecting the employability of District of Columbia residents.

What We Know

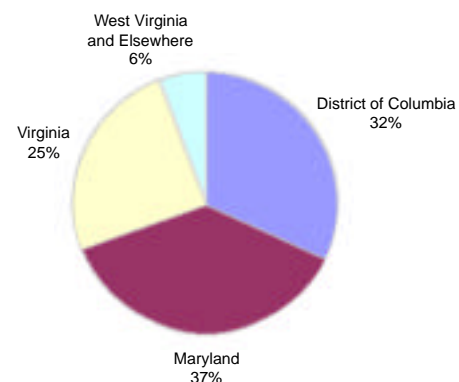
Less than a third of DC jobs are held by District residents.

Employment data through July 2002 indicate that there are 657,400 jobs in the District and slightly more than 2.75 million jobs in the metropolitan region. Of the jobs in the District, only 32 percent are filled by District residents. By contrast, 37 percent are filled by Maryland workers, 25 percent by Virginia workers and 6 percent by workers from West Virginia and other locations.

The majority of jobs in the District are in the private sector, where job growth is projected to increase.

Data on employment by major industry indicates that 65.3 percent of the jobs in the District are in the private sector, with the remaining 34.7 percent in government. Regional data reflect a similar trend, with 78.8 percent of the jobs in the private sector and 21.2 percent of jobs in government. Labor market and economic trends' data from the mid-1990's through today show extensive job growth in the District and Washington D.C. metropolitan area as a whole.

Percentage of Workers In the Region Who Have District of Columbia Jobs

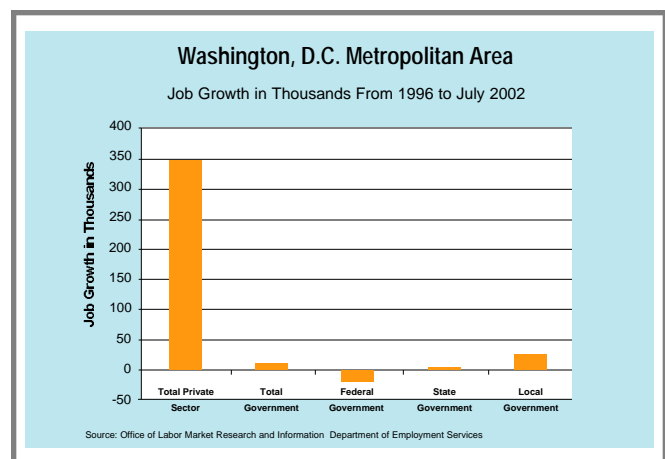
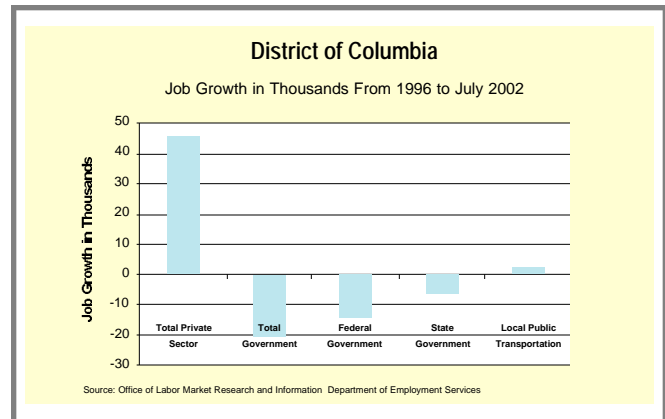


Source: Department of Employment Services/Office of Labor Market Research and Information.

Employment in the District and the Region

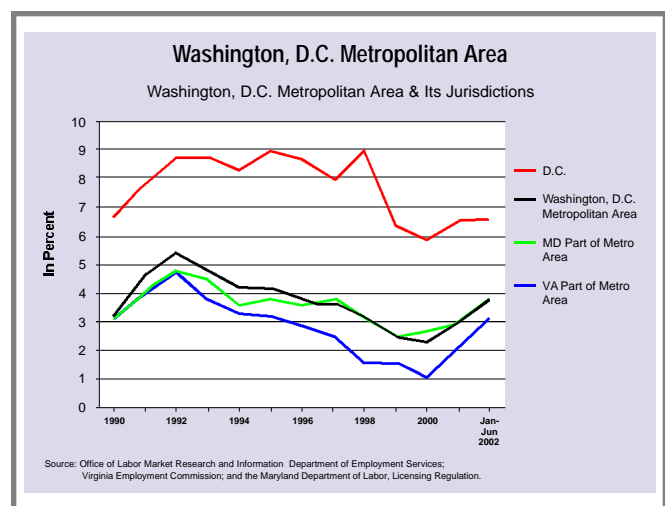
Jobs	December 2000	July 2002	Change
District	653,800	657,400	3,600
Regional	2,826,900	2,787,200	-39,700
District jobs held by District residents	209,200	210,400	1,200

Projected job growth in the District from 1996 to 2006 reflects a heavy concentration of jobs in the services sector, which includes business, legal, engineering/management, educational and social services. This will be a continuing trend from what has occurred from 1996 to 2002 (see chart). Most jobs are, and will continue to be, in service producing industries requiring specialized skills, advanced education and customer service skills. Based on private sector job growth in the region and the skills sets required to acquire these jobs, the District must continue to design and provide workforce systems and programs that directly address the current and projected manpower needs of this sector.



Local and regional labor market data indicates that the District's unemployment rate (not seasonally adjusted) continues to exceed the rates of other neighboring jurisdictions.

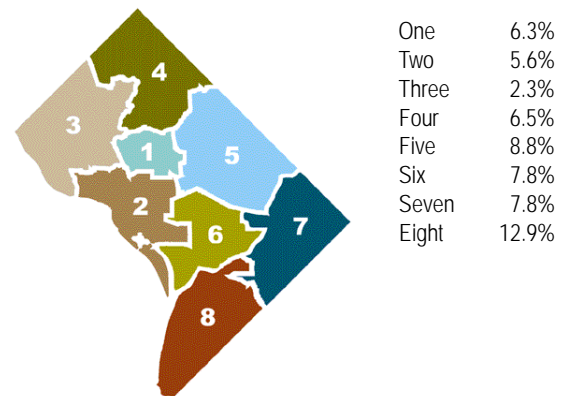
While the unemployment rate fluctuates with local and national economic trends, data from 2001 show that 18,135 residents were unemployed in the District as well as an average of 84,841 residents in Maryland and Northern Virginia. The chart to the right indicates the percentages of unemployment based on the population of each jurisdiction, which shows higher of unemployment in the District. Census and employment data show a correlation between educational levels and employment.



*Regional data includes multiple Maryland counties, Northern Virginia cities and counties and counties in West Virginia.

For example eight percent of Ward Eight residents are college graduates while the ward has an unemployment rate of 12.9 percent. By contrast, 70 percent of residents in Ward Three are college graduates while that ward has an unemployment rate of 2.3 percent.

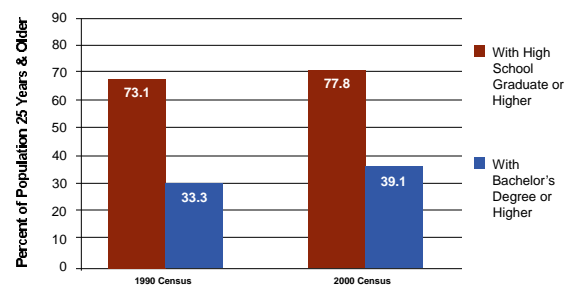
June 2002 Unemployment Rates by Ward



Education Attainment

(Percent of Population 25 Years & Over)

District of Columbia



Source: Office of Labor Market Research and Information, Department of Employment Services

Policy Implications

To address these issues, citywide policies should:

- Support the attraction and retention of businesses through incentives for hiring and retaining District workers. Such policies are needed to continue to broaden private sector buy-in.
- Address the livable wage issue by promoting incumbent worker training, which will support the upward mobility of entry-level and semi-skilled workers.
- Establish small businesses in targeted neighborhoods outside of the central core to facilitate income and job gains in neighborhoods.

How the Comprehensive Plan Addresses Job Skills and Employment

The Comprehensive Plan primarily addresses job skills and employment in the Economic Development Element of the Plan. While these issues are covered in many sections of this Element, they are primarily addressed in Section 207, "Improving Labor Force Job Skills Levels and Employment Opportunities."

Objectives in this section include strategies to address the skills deficiencies amongst the city's economically disadvantaged, unemployed, underemployed and youth populations. While many job seekers from these targeted groups may be successful in obtaining entry-level employment, wages paid to unskilled/semi-skilled workers are not sufficient to support families and promote independent living.

There are 14 goals that focus on improving labor force job skills and employment opportunities. Six specifically focus on seeking active support from the private sector in restructuring the District's education/workforce development systems. The goals are as follows:

- Strategies to achieve effective working partnerships with the private sector
- Provision of affordable job care for parents seeking job preparation and/or employment
- Support for development and job generation in the downtown and central employment areas
- Attraction of businesses that employ semi-skilled and unskilled workers
- Integration of the education and workforce development systems
- Better use of labor market analyses in tailoring worker preparation programs
- Enhancement of the existing one-stop career/employment centers
- Improved access for high school and post-secondary school students to specialized employment initiatives
- Improved standards for educational/training providers
- Establishment of tax credit programs for employers offering customized training/retraining programs
- Establishment of incentives for new and expanding employers to encourage the hiring of District residents
- Establishment of a Workforce Investment Council
- Support for school-to-careers initiatives to expose/train students for high demand occupations
- Establishment of regional initiatives to ensure that residents are connected to jobs throughout the metropolitan region

Questions to Consider When Evaluating the Comprehensive Plan

- Should other strategies be articulated to further emphasize the importance of private sector involvement?
- Does the plan adequately address private sector buy-in to youth/adult workforce development?
- How should the city approach development decisions to ensure that, at a minimum, livable wages and benefits are offered to residents?
- Should the city look at making development decisions that favor the establishment of small businesses, especially outside of the District's central core, to facilitate income and job gains in neighborhoods and communities?